

CITY OF LAKE FOREST
FINANCIAL AND SPECIAL AUDIT SERVICES REQUEST FOR PROPOSAL
ADDENDUM 1

The following is a list of questions the City received in regards to the RFP for Fiscal and Special Audit Services along with answers.

1. How long has the current auditor been performing the audit?

The current auditors have provided audit services to the City since the fiscal year ending June 30, 2011 audit.

2. Are the current auditors included or excluded from the current the RFP?

The current Request for Proposals (RFP) does not preclude the current auditors from submitting a proposal in response to the RFP.

3. Are there any special qualities you are looking for in the firm you select?

Please refer to Appendix D Evaluation Procedures for the basis of evaluation of the proposals submitted in response to the RFP.

4. How many auditors and how many weeks were the prior auditors on-site, for interim and year-end fieldwork?

The interim audit fieldwork is approximately one week with 2-3 audit staff. The year-end audit fieldwork is approximately two weeks with 2-3 audit staff.

5. What were the prior year fees for all the services provided?

The authorized contract amount for audit services for the period June 30, 2011 through June 30, 2016 is \$383,000.

6. Are there any new audit services requested in this RFP that were not included in the prior year fees?

The optional services preparation of the State Controller Reports (SCO reports) listed in the RFP have been prepared by City staff. The City is seeking pricing for these services and may select on a year-to-year basis whether to perform the work in-house or have the auditors prepare the reports.

7. For the optional services (preparation of SCO reports), should the proposal include proposed fees for these services or these will just be negotiated with the successful bidder if the City decide to outsource these services?

The pricing for optional services (preparation of SCO reports) may be included in the submitted cost proposal or may be negotiated during the process in award of the selected audit firm if the City decides to outsource the services.

8. How many journal entries were proposed by the prior auditor and how many findings did they issue?

During the most recent audit completed, fiscal year ending June 30, 2015, there were no audit adjustments proposed or findings identified during the course of the audit.

9. Is the City able to provide the Balance Sheet, Revenue and Expenditure reports in Excel format?

The City is able to provide various reports exported from the accounting software to Microsoft Excel. The City provides the auditors the following exported reports from the accounting software in Microsoft Excel: Trial Balance, Balance Sheet, and Revenue/Expenditure Report including the Adopted and Amended Budget amounts.

10. What is the desired audit timeline?

Please refer to the details of the RFP for the desired audit timeline.

11. Is City involved in any litigation not included in the Prior Year Financial Statements?

The City is not involved in any litigation not included in the Prior Year Financial Statements that is estimable or probable that would have material impact on the financial statements.